

The Changing Face of Logistics Support **A Fleet Perspective**



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The Changing Face of Logistics Support A Fleet Perspective

- **What We Face**
 - Today's Challenges
 - Tomorrow's Challenges
- **Implications of Full Service Contractor Support**
 - Battle Group Interoperability
 - Duplication of Infrastructure
- **Direct Vendor Delivery**
 - Examples and Concerns



Today's Challenges

- **QDR Decisions**
- **Shrinking Budget**
- **Political Pressures**
- **Increased Operational Requirements**
- **Current Trends Will Continue**



Tomorrow's Challenges

- **Restructuring Our Business Practices**
- **Industry Must Deliver:**
 - **More Reliable Weapons Systems...**
 - **Requiring Less Maintenance...**
 - **With Innovative Logistics Support**



Full Service Contractor Support

- **FSC Support:**
 - What does it mean?
 - How does it work?
 - How will the Fleet work it?
- **Answers to These Questions are Difficult - Proposals Not Consistent**
- **Application to Ship Systems Very Different than Application to Aircraft**

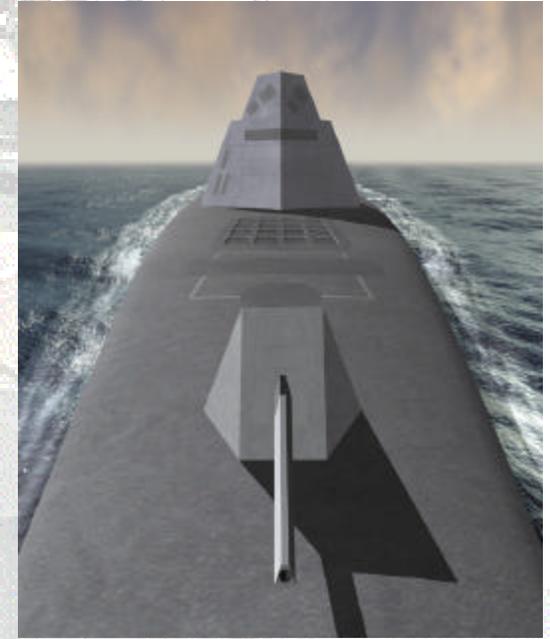


Full Service Contractor Support



Maintain and Support
Predominantly Government

- **LPD-17, DD- 21,CVX, and NSSN programs...**
 - Fleet still predominantly Legacy platforms
 - Some current platforms are projected to still be around in 2050
- **Delivery of New Platforms Can Introduce Multiple Independent Logistic Support Models**
- **Maintenance Philosophies Transition the Spectrum**
- **Begs for a Transition Plan**



Maintain and Support
Predominantly Industry



Full Service Contractor Support

- **Foresee Multiple Logistic Support Models in the Fleet**
 - Possible misalignment of logistic functions
 - Adds complexity to BG/ARG interoperability management
 - #1 Fleet readiness issue
- **Must Move Towards BG/ARG Design to Simplify Interoperability Functions**
- **Requires a Common Logistics Management Model**
 - May include combinations of FSCs for each Class of ship and FSCs for systems common to multiple classes.
 - Must include integration of existing infrastructure



Full Service Contractor Support

- **Requires a Transition Plan**
 - Fleet engagement is essential when developing contractor provided logistics concepts
 - Must avoid Duplication of Existing Infrastructure
- **Direct Vendor Maintenance for Seawolf Class**
 - Proposed services represent estimated 80% duplication of current IMA capabilities
 - Infrastructure for submarine engineering support already exists
 - Integration into deployed maintenance concepts is a real concern
 - Not cost effective for the Fleet



Direct Vendor Delivery

- **AEGIS Direct Vender Delivery**
 - Shipboard Spare Savings of \$800K
 - Phased Vendor Responsibility... Inventory Management to Guaranteed Reliability
 - One step closer to Contractor provided logistics support
- **FISC Paint Contract**
 - Direct Vendor Delivery to user in 24 to 48 hours
 - 1st Month - \$187K of use by two CVNs and NNSY
- **Real Concerns Exist**
 - Proprietary Concerns
 - In theater Support



Summary

- **Higher Reliability - Less Maintenance - Innovative Logistic Support**
- **Common Logistics Management Model- Phased Transition - Implementation Plan**
- **Must Address the Details**
 - How is it less costly?
 - Who's responsible - Who's in control?
 - Contract Structure Concerns:
 - GFE
 - Public Sector Work
 - Sailor Maintenance/Training
 - Proprietary Concerns
 - In Theater Support
 - Warranty

Life Cycle Logistics

